No. 12,540

IN THE

United States Court of Appeals

For the Ninth Circuit

JACUZZI BROS., INCORPORATED (a Corporation),

Appellant,

vs.

BERKELEY PUMP COMPANY (a Corporation), BERKELEY PUMP COMPANY (a Partnership), and FRED A. CARPENTER, LANA L. CARPENTER, F. F. STADELHOFER, ESTELLE E. STADELHOFER, JACK L. CHAMBERS, WYNNIE T. CHAMBERS, CLEMENS W. LAUFENBERG and MARIE C. LAUFENBERG, partners associated in business under the fictitious name and style of Berkeley Pump Company,

Appellees.

OPENING BRIEF ON BEHALF OF APPELLANT.

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OPENING BRIEF ON BEHALF OF APPELLANT.

This case comes before this Court on an appeal from a final judgment of the United States District Court for the Northern District of California, Southern Division, adjudging United States Letters Patent No. 2,344,958, issued March 28, 1944, and United

States Letters Patent No. 2,424,285, issued July 22, 1947, invalid and void in law.

I.

JURISDICTIONAL STATEMENT.

The District Court had jurisdiction under Section 24(7) of the Judicial Code as amended (28 U.S.C., Section 41(7), and under Section 247D of the Judicial Code (Federal Declaratory Judgments Act, 28 U.S.C., Section 400), as the suit was one for infringement of United States letters patent (R 2) and the answer (R 12) incorporated a counterclaim for a declaratory judgment involving the validity of such patents.

Jurisdiction is conferred upon this Court to review the final judgment of the District Court by virtue of 28 U.S.C., Section 1291 (New Judicial Code).

The final judgment of the District Court was entered March 20, 1950 (R 94), and the Notice of Appeal on behalf of the appellant herein was filed April 11, 1950 (R 97), and well within the thirty day period required by 28 U.S.C., Section 2107, and Rule 73 of the Rules of Civil Procedure of the District Courts of the United States.

II.

STATEMENT OF CASE.

The plaintiff*, JACUZZI BROS., INCORPORATED, a California corporation, is the owner of the two patents in suit. The defendants are BERKELEY PUMP COMPANY, also a California corporation, its predecessor in business, BERKELEY PUMP COMPANY, a partnership, and the individual members of such partnership.

Plaintiff's complaint in the Court below charged the defendants with infringement of its two patents, which charge it subsequently limited to Claims 3, 9 through 13, 17 and 18 of patent 285 (R 497), and Claims 1, 2, and 4 through 9 of patent 958 (R 504). By their answer, the defendants asserted the customary defenses of invalidity and non-infringement, and in addition the defendant corporation counterclaimed for a declaratory judgment of invalidity and non-infringement of the two patents *in toto*.

After trial the District Court rendered a memorandum decision, which decision, by order of such Court (R 99), is incorporated in full and forms a part of the written findings of fact and conclusions of law.

Basically, the Court found with respect to both patents that while all the claims sued on, with the

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*For the sake of convenience, we shall hereafter refer:
To the appellant as the "plaintiff";
To the appellees as the "defendants";
To patent No. 2,424,285 as "patent 285";
To patent No. 2,344,958 as "patent 958";
To the transcript of record by the letter "R" followed by the number of the page referred to;
And all underlinings or italics shall be deemed ours unless otherwise noted.

exception of Claim 11 of patent 285, *were clearly infringed if valid,* some of the claims including Claim 11 were anticipated, and that all claims charged to have been infringed as well as those not relied on by plaintiff were void for lack of invention over the prior art. By its final judgment duly entered the District Court adjudged all the claims of both patents invalid and void in law, and from such judgment plaintiff has appealed.

Because of the well-recognized rule that letters patent are *prima facie* valid and that the party asserting the contrary has the burden of establishing invalidity by evidence carrying conviction beyond a reasonable doubt, the questions for this Court to decide are: Have the defendants sustained the heavy burden of showing beyond a reasonable doubt—

(a) That as to those claims found void for anticipation, the anticipatory references or reference clearly show on their face, without the necessity for modification or the drawing of post mortem inferences, the same knowledge and directions as the patents in suit;

(b) That it did not require the exercise of invention on the part of the patentees of the patents in suit to make their admitted advance beyond the systems known when they entered the field.

If defendants have failed to do this, indeed if the proofs leave a reasonable doubt as to these questions, this Court must, upon the issues presented, order reversal of the District Court as to all claims, except

Claim 11 of patent 285, and even as to such claim, if the District Court's finding of non-infringement thereof be shown to be clearly erroneous.

The courts have repeatedly held that to *anticipate* an invention it is necessary that all the elements of the invention or their equivalents be found in one single description or machine where they do substantially the same work in substantially the same way, and that inferences, as distinguished from disclosure, especially when drawn in the light of after-events, cannot be accepted as a basis for anticipation. Furthermore, the courts have never sanctioned the proposition that the question of invention is one of mere arbitrary opinion.

Want of invention must be *proved beyond a reasonable doubt* by the proof of facts and circumstances demonstrating that the steps taken by the alleged inventor were those which any person skilled in the art would have taken under similar circumstances at the time and not in the floodlight of subsequent events.

Preliminary to discussing the judgment and findings of the District Court, it is necessary to first examine the patents in suit and consider the character and scope of the inventions which they disclose.

The Patents in Suit.

Plaintiff's patent 285 issued July 22, 1947, upon application filed May 31, 1941. Patent 958 issued March 28, 1944, upon application filed July 15, 1941, and is a *continuation-in-part* of the first filed application. The two applications were *co-pending* in the

Patent Office for more than 2½ years and during such co-pendency the Patent Office required and the patentees maintained a line of division between them. In connection with this line of division, the generic claims appear in the first filed application which matured in patent 285, and being generic, cover the broad aspects of the improved system of the second patent 958 but not specifically the self-balancing feature thereof, to which the claims of the second patent 958 are directed.

Of plaintiff's two patents, the last to issue was based upon the application first to be filed. While simultaneous issuance of the two applications was requested of the Patent Office, the first filed application was held up by an interference with defendants' later filed RHODA patent No. 2,315,656 (R 536) on an invention both were laying claim to, but which defendants, as the assignee of RHODA, the losing party, now allege to lack invention.

The Inventions Involved.

The inventions involved in plaintiff's patents relate broadly to water systems for use by residents of rural districts where city water service is not available, and such inventions are more specifically concerned with improvements in water systems employing the injector principle, and thus the claims thereof are limited to a narrow field in a crowded art, and their terminology is not so broad as to encompass the pump art in general.

The problems created by the employment of the injector principle, and which are not involved in other

type systems, are well pointed out in the specifications of plaintiff's patents and in the District Court's Memorandum Decision, and reference thereto will show that such problems are inherent in systems employing such principle.

Briefly, such problems are created because the injector assembly requires, for continued operation of the system, a minimum volume and pressure of water determined by the existing water level in the well, and such water must be diverted from the otherwise available output of the pump unit assembly. Such injector assembly requirements become greater with a drop of water level in the well or an increase in service load, and failure to supply the increased requirement causes the injector assembly to cease functioning and the pump to lose its prime and stall. The requirements of the injector assembly, thus being of primary consideration, created in conventional systems many additional problems with resulting limitations all as pointed out in the specifications of plaintiff's patents.

The patentees of the patents in suit substantially advanced the art by their improved systems and not only overcame many of the objections and limitations of the existing conventional systems but, in addition, produced improved results as well as new results, such being pointed out in the specifications of plaintiff's patents and particularly in the objects of the inventions therein set forth.

Plaintiff's patent 285 involves generally two different system combinations, which, for convenience, we will designate as system combinations A and B.

The system of combination A is covered by Claims 1, 2, 3, 6, and 9 through 13. All of such claims, except 1, 2 and 6, were charged as being infringed by defendants. The system of combination B is covered by Claims 17 and 18 and were likewise charged as being infringed.

Claims 4, 5, 14, 15 and 16 are drawn to the pump unit assembly as a component of the system combinations A and B and constitute subcombination claims. Similarly, Claims 7 and 8 are drawn to the pump stage assembly which provides low pressure discharge in combinations A and B, and likewise constitute subcombination claims. None of the subcombination claims was involved in plaintiff's charge of infringement. Such subcombination claims the patentees had the right to make under the law *(Walker on Patents,* Deller's Edition, Vol. 2, Sec. 166, Page 789).

The invention of system combination A involves an *injector* type system which will economically provide *direct* discharge to service over a *wide* range of pressures and volumes, whereby the consumer can draw water to *directly* meet any of the many requirements demanding different pressures and volumes. Of primary significance is the fact that the new system will directly provide *large* volumes of water at extremely *low* or even *zero* pressure for *irrigation,* thus eliminating the former uneconomical and inefficient procedures of taking water for irrigation from either the suction line or from the pressure tank of an injector

type pressure system, or of using two separate pumps or pump systems.

This has been made possible by the discovery of the patentees of plaintiff's patents that in a water system of the *injector* type, with a *properly designed* pump unit of the impeller type, such as illustrated in both plaintiff's systems and defendants' accused systems, discharge at low pressure may be taken from an intermediate stage of the pump unit *without adversely affecting the rest of the system.* In addition, the patentees found that their discovery resulted in a system which could deliver large volumes of water at such low pressures, which admirably satisfies conditions for irrigation, this being clearly illustrated by the *graph, Fig. 4 of patent 285.*

Thus the farmer can now enjoy, as a result of this invention, the advantage of obtaining a *copious* discharge *directly* at the pressure he desires, and no longer need he:

(1) Incur the expense of first raising all of this water to the pressure required by the injector assembly and then dropping the pressure back to the low value desired for irrigation and thereby saving 30% to 50% in power bills (R 483);

(2) Take his irrigation supply from the pressure tank and thus adversely expose the service line and household water pressure to heavy pressure fluctuations and frequent failures (R 214);

(3) Incur the expense of two separate pumps or pump systems (R 523, 530).

The invention of system combination B involves a *dual purpose pressure* system which can:

(1) *Simultaneously* supply both the high pressure-low volume requirements of the household and the large volume-low pressure requirements of irrigation (R 458); and in addition

(2) Provide *automatic* pump starting from *either* discharge (R 115, 457, 458).

This, the patentees of patent 285 accomplished through not only recognizing but taking advantage of the phenomenon that during *quiescent* periods of the pump unit in a conventional type *pressure* system, the tank pressure will equalize or spread throughout those portions of the pressure system which happen to be in open communication with the pressure tank. Thus by removing check valves previously employed in the discharge line to the pressure tank, and by the avoidance of any other valves which might otherwise block off open communication from the pressure tank to the spigot at the discharge end of the irrigation line, the conventional pressure switch already associated with the pressure tank will then be made responsive, not only in the conventional manner to pressure changes in the pressure tank brought about by demand on the part of the household, but now also to pressure changes brought about through opening of the spigot at the remote end of the irrigation line.

Therefore, *a mere opening of the spigot at the end of the irrigation line* during quiescent periods of the

pump unit will *automatically* bring about the starting of the pump unit, and it is not necessary to walk all the way back to the pump unit to throw a switch or manually operate any control for this purpose (R 115). It now becomes apparent that no additional electrical equipment or electrical installation is necessary, for, without any changes in the electrical system whatever, the *same* pressure switch, though adjusted for the higher pressures utilized in the household, is now also without change in adjustment, made to respond to opening of the low pressure discharge (R 115).

Plaintiff's patent 958, the application of which was co-pending with and a continuation-in-part of the application of patent 285, involves a third novel combination which we will hereafter refer to as system combination C, and is covered by Claims 1 through 9, of which all but Claim 3 are charged to be, as well as found by the District Court to be infringed by defendants' accused systems.

The invention of combination C pertains to an *injector* type system which is self-balancing and consequently *inherently stable*. Accordingly, this system is not subject to failure within a wide range of changes in operating conditions to which pump systems are exposed.

In this connection, the system described in the earlier filed patent 285 still requires a control valve. Patent 958, on the other hand, provides a system which is entirely self-balancing and no longer requires a control valve. At the same time this system retains

all of the beneficial and advantageous features covered by patent 285.

To the farmer, this added feature means:

(1) The elimination of many hours of labor previously required in adjusting a control valve to place an injector type system into operation; with a corresponding savings in labor costs (R 215-217, 458-461);

(2) The discharge pipes or service lines, being free of control valves, are, therefore, unrestricted and can deliver to full capacity, meaning greater and unrestricted output to service (R 217);

(3) Continuous service to the farmer (R 458-462, 483-484) in spite of any wide changes in operating conditions such as receding water level and the like (R 136), with resulting savings in operating and maintenance costs;

(4) Complete elimination of control valves from the system and the cost thereof (R 136, 458).

The self-balancing feature has its origin in the *discovery* by the patentees that, in a pump system employing the *injector* principle, if the injector assembly were supplied from a stage of the pump unit *other* than those from which the service discharge is taken and flow of water to the injector were *favored* over flow to service, the pump unit will automatically meet the changing requirements of the injector assembly with changes in conditions within the well, and thus eliminate the principal cause of a pump system losing its prime and becoming inoperative.

III.

SPECIFICATION OF ERRORS.

The asserted errors of the District Court that are relied upon by the plaintiff are as follows:

The Court erred:

1. In failing to accord to the VERONESI (1927) Italian patent, the teachings thereof as clearly expressed by the inventor himself;

2. In finding an asserted flaw in plaintiff's arguments before the Patent Office on the irrelevancy of the VERONESI (1927) patent, since such flaw is by the District Court predicated upon an erroneous premise as to what such patent was directed (Decision, R 70);

3. In finding that the VERONESI (1927) patent clearly discloses the *precise* system of plaintiff's patent 958 (finding No. 29, R 86), whereas VERONESI does not disclose a *pressure* system or all of the component elements of the combinations claimed in plaintiff's said patent;

4. In finding that the VERONESI (1927) patent *pictures* the system of Claim 12 of plaintiff's patent 285 (Decision, R 73), whereas its contrary finding (Decision, R 71) held that the VERONESI drawing should not in and of itself be considered a complete anticipation of plaintiff's system;

5. In finding that the VERONESI (1927) patent clearly discloses on its face the obvious presence of a low pressure discharge opening communicating with

the first stage of the pump (finding No. 15, R 81), whereas, the VERONESI drawing (R 559) pictures no such passage at all, and the specification teaches a different source of communication (Translation, R 606, lines 1 to 8 and 20 to 26);

6. In finding with respect to the VERONESI (1927) patent drawing that the flow arrow is shown as drawn from the impeller chamber to the discharge opening (R 70), whereas such finding is based upon the erroneous assumption that the dot-dash line is a part of the arrow instead of a conventional and well-recognized symbol for representing a center-line or line of symmetry;

7. In failing to construe Claim 11 of plaintiff's patent 285 in accordance with the specification of the patent in which it originated, and in concluding that such claim relates to a system in which two pumps are employed (Decision, R 72);

8. In finding that the SCHMID British patent was apparently never considered by the Patent Office in relation to Claim 11 of patent 285 (Decision, R 72), whereas the record shows it was so considered;

9. In finding that Claim 11 of patent 285 has not been infringed by defendants' accused systems (finding No. 49, R 92), whereas the record shows that the claim was drafted by defendants to cover their accused systems;

10. In finding that the systems claimed in each and all of the claims of each of plaintiff's patents 285 and 958 would be *duplicated* without invention, merely by

connecting an injector to one of the high-pressure discharge centrifugal pumps of the prior art patents to ENSSLIN, RATEAU, SULZER and STEPANOFF (findings Nos. 27 and 28, R 86), (No. 37, R 88) and (No. 46, R 91), whereas there is no evidence in the record to support such a hypothetical assembly, nor would such an assembly duplicate any of the systems of plaintiff's patents, and further, the District Court, by separate findings, has found such pump units unsuited for use with injectors (Decision, R 58);

11. In failing to accord to plaintiff's patents the presumption of validity and favorable intendments of interpretation to which they are entitled under the law, and in resolving every reasonable doubt against such patents and in favor of the prior art;

12. In failing to find each and all of the claims of plaintiff's patents 285 and 958 valid;

13. In finding that the system combinations of either of plaintiff's patents are anticipated by the prior art;

14. In finding that the system combinations of either of plaintiff's patents lack invention over the prior art.

IV.

SUMMARY OF ARGUMENT.

The destruction of plaintiff's patents is based solely on prior art either previously considered by the experts of the Patent Office and discarded, or which is

of no greater weight than that which was so considered.

The most heavily relied on art was the VERONESI (1927) Italian patent which disclosed in its drawing an *admittedly* obscure showing of a pump unit which is subject to at least two possible constructions, but only that contended for by plaintiff is supported by the specification of the patent. The Patent Office had this Italian patent under consideration during the prosecution of the applications of plaintiff's patents and, when made aware of the teachings in the specification of such Italian patent, recognized its irrelevancy and discarded it thereafter from consideration as a reference.

The District Court, in accepting defendants' version of the VERONESI patent disclosure, committed obvious errors in misinterpreting conventional drafting symbols on the VERONESI drawing and in misconstruing the clear teachings of the specification.

The District Court recognized the deficiency in the VERONESI patent drawing and sought to supply its lack of disclosure by reliance upon another foreign patent to SCHMID, which, like the VERONESI patent, had likewise been thoroughly considered by the experts of the Patent Office and also been found wanting.

Claim 11 of plaintiff's patent 285 was found to be invalid over the aforesaid SCHMID patent on the mistaken belief that this patent was apparently never considered by the experts of the Patent Office pre-

paratory to the allowance of this claim; but the record shows that the SCHMID patent was before the Patent Office at least three different times where Claim 11 was involved, and the claim was allowed with full knowledge of such patent and what it teaches or fails to teach.

In finding Claim 11 of patent 285 not infringed, the District Court overlooked the fact that this claim originated in defendants' own RHODA patent and was drafted to cover defendants' accused systems.

In finding both patents 285 and 958 invalid on the theory that the mere connection of an injector assembly to a high pressure stage of the ENSSLIN, RATEAU, SULZER or STEPANOFF pump units would duplicate the systems of plaintiff's patents, the District Court predicated its findings on arbitrary assumptions unsupported by evidence as to where or how to effect such connection, or whether the resulting combination will constitute a system, still less one that will function to pump water, and in so doing, arrived at findings which are hopelessly inconsistent and irreconcilable among themselves, as well as being inconsistent and irreconcilable with certain previous findings which, in the Court's own words, establish such pump units to be unsuited for operation with an injector.

Considering all the prior art patents relied on by defendants, it is significant that not one embodies teachings of any of the three system combinations of the patents in suit. And this finds support in the findings of the Patent Office.

The presumption of validity which attends plaintiff's patents was not mentioned in the Memorandum Decision of the District Court and apparently not accorded its proper weight in the conclusions reached. Far from being overcome by the obviously deficient prior art relied on by defendants, the ordinary presumption of validity has been strengthened to a degree bordering on finality by the following circumstances:

(1) Prior consideration by the experts of the Patent Office, of the best prior art relied on by defendants;

(2) The survival of plaintiff's patent 285 in an adversary interference proceeding in the Patent Office with defendants' RHODA patent;

(3) The high tribute accorded by defendants to plaintiff's inventions, as evidenced by:

(a) Their conduct in promptly adopting the same and incorporating said inventions in their new line of water systems;

(b) Their trade bulletins highly praising the inventive features of said systems and referring to them as unique; and

(c) Their claim of authorship of the inventions and the filing of a patent application on such systems.

V.

ARGUMENT.

CONFLICTING FINDINGS BETWEEN THE DISTRICT COURT AND THE PATENT OFFICE OF THE SAME PRIOR ART WARRANTS DE NOVO CONSIDERATION THEREOF.

A novel situation is created by this appeal since there exist, in effect, two conflicting opinions, one by the Patent Office and the other by the District Court. This situation is created since the most pertinent prior art presented to the District Court had already been considered by the Patent Office and an opposite conclusion reached.

Of the 11 prior art patents relied on by the defendants at the trial, 7 had already been considered and rejected by the Patent Office, and those not cited in the prosecution of the applications of plaintiff's patents were presumptively considered, since they add nothing to the art cited, being mere duplication of those features found in the art which it did cite.

Under such circumstances, *de novo* consideration of the prior art patents is well within the province of this Court, and in view of 35 U.S.C., Section 31, the interpretation of such art is as open to this Court as to the District Court or the Patent Office. In this connection it was said in the case of *Charles Peckat Mfg. Co. v. Jacobs,* 178 Fed. (2d) 794, 802 (CCA 7, 1949):

> *"But the ultimate question of patentability is whether the device meets the requirement of the statute. 35 U.S.C.A. 31. Here we have a finding of fact of anticipation because of existing prior art patents. Each of these documents was before*

the trial court and is before us. Their interpretation, in view of the statute, is as open to us as to the District Court. True, there was some parol testimony in the court below, but we find that it did not in any way throw light upon the question of anticipation by the prior art. Consequently we feel free to review the evidence bearing upon anticipation by the prior patents."

See also:

Sales Affiliates, Inc. v. National Minerals Co., 172 Fed. (2d) 608, 613 (CCA 7, 1949)

Consideration of the prior art patents, as hereinafter pointed out, will show that the findings of the lower Court as to anticipation of the patents in suit are clearly erroneous.

It is fundamental that in order to void a patent for anticipation, the prior patent or publication must give in substance the same knowledge and same directions as that of the patents in suit. Nor may the subtle influence of after-acquired knowledge, which subconsciously substitutes inferences for disclosure to explain an otherwise uninforming publication, be used to negative meritorious inventions.

". . . Inferences as distinguished from disclosures, especially when drawn in the light of after events, cannot be accepted as a basis of anticipation.

"A patent relied upon as an anticipation must itself speak. Its specification must give in substance the same knowledge and the same directions as the specification of the patent in suit."

Skelly Oil Co. v. Universal Oil Products Co., 31 Fed. (2d) 427, 431 (CCA 3, 1929)

See also:

1 *Walker on Patents* (Deller's Edition), pages 270-272, and cases therein cited.

The oral testimony offered by defendants in their efforts to negative invention in view of the prior art is of little worth, for at best it merely constitutes an attempt to make the asserted anticipatory art mean what it does not say and, by inferences drawn in the light of *ex post facto* wisdom, tends to create a doubt as to the novelty of the inventions involved.

Throughout the findings and conclusions of the District Court, as we will demonstrate, there exists a failure to accord to plaintiff's patents the well-recognized presumption of validity and favorable intendments of interpretation to that end which the law affords. On the contrary, the District Court resolved every reasonable doubt against the patents and in favor of the prior art.

We will now direct our attention, first, to the principal patent relied on by defendants to negative invention of the two patents in suit.

VI.

THE 1927 ITALIAN PATENT NO. 260,417 TO VERONESI FAILS TO TEACH THE INVENTIONS OF THE PATENTS IN SUIT.

This Italian patent of 1927 constitutes the principal reference relied on by defendants in their attempt to negative invention of the two patents in suit. In view of the extent of the controversy waged in the District

Court around the *interpretation* of this foreign patent, it becomes necessary to point out in some detail its complete failure as a reference although the extent and nature of the controversy is in itself cogent evidence of this fact.

It is significant that this foreign patent was fully considered and found wanting by the experts of the Patent Office, first, in the normal prosecution of patent 285, and again after it had been strongly urged by defendants to negative invention in the interference (Dft. Exh. D), between their own RHODA Patent No. 2,315,656 (R 536) and the application of patent 285.

The granting of patent 285, therefore, involved an adversary proceeding between plaintiff and defendants in the interference proceeding, and its normal prosecution, in a broad sense, was impliedly an adversary proceeding wherein the Patent Office was aligned against plaintiff to protect the public against unwarranted monopoly. Under these circumstances the presumption of validity is strengthened to an extent bordering on finality with respect to this foreign patent. The effect of granting a patent under such circumstances is aptly summarized in the case of *Williams Mfg. Co. v. United Shoe Mach. Corp.,* 121 Fed. (2d) 273 (CCA 10, 1941) (aff'd 316 U.S. 364; 86 L. Ed. 1537), wherein the Court said at page 277:

> "To the presumption of validity that attaches to a granted patent, where the most pertinent prior art has been cited against it in the patent office, there must probably now be added the force of a growing *recognition of finality* that is generally

being accorded to administrative determinations supported by evidence, on the ground that the administrative agency is expected to have developed an expertness in its specific field beyond what may be expected from the courts wherein adjudications range the whole field of human controversies. *It is true, of course,* that in the most strict sense, the granting of a patent is not, except *when an interference is declared,* the result of an adversary proceeding, as in usual administrative determinations of agencies exercising quasi-judicial functions. Nevertheless, it wears, in the broader sense, an adversary aspect, since patent office examination protects the public against unmerited monopoly, and so the public, as represented by the examiner, is always impliedly in adversary position to the application just as it is ever a third party to an infringement suit."

The teachings of the VERONESI Patent No. 260,-417 fall far short of that required to anticipate plaintiff's meritorious inventions.

A foreign patent is to be measured as anticipatory by what it clearly discloses and not by what might have been made out of it.

> "A foreign patent is to be measured as anticipatory, not by what may be made out of it, but by what is clearly and definitely disclosed by it."
>
> *Steiner Sales Co. v. Schwartz Sales Co.,* 98 Fed. (2d) 999, 1003 (CCA 10, 1938)

This foreign reference discloses an injector type system employing a horizontally disposed multi-stage

centrifugal pump having but *one* discharge to service. The drawing, in and of itself, is *admittedly* obscure, in that it fails to picture an open passage from any specific location in the pump unit for the flow of water to the service discharge.

Plaintiff contends that the water for service comes from the last stage of the pump unit from which the ejector is also supplied. This has become conventional practice in the art as shown by defendants' CARPENTER system (Dft. Exh. J, R 544) and plaintiff's F. JACUZZI patent (R 584). Plaintiff bases its interpretation of the VERONESI patent drawing on the VERONESI patent specification which clearly and unmistakingly confirms plaintiff's contention, as follows:

> "Ejector 1 is not operated by a special pump, but operates with any suitable type pump. Water issuing from *the* exhaust of the pump is divided into approximately equal portions; one portion is directed to the place of utilization; the other is injected to the bottom of the well by means of pipe 2 and serves to actuate ejector 1. . . . In the pump the pressure of liquid is raised to the desired limit, and the liquid is then divided as mentioned hereinabove into two parts, one of which is directed into the aforementioned line 2 downward, while the other goes upward into the aforementioned line 9." (R 606)

Defendants, on the other hand, interpret the VERONESI drawing as indicating the water for service coming from the first stage of the pump unit, with the

injector being fed from the last stage. Such interpretation, however, imparts to the VERONESI structure two exhausts, with the water of necessity being divided at some point between the first and second stages. Inasmuch as the VERONESI *specification* speaks of "the" exhaust, thus limiting the pump to one having but one exhaust, and inasmuch as the division of water is clearly stated as occurring *at* the exhaust, defendants' interpretation finds no support in the specification; and in this connection it is significant that defendants' counsel, in examining his own witnesses on the interpretation of the VERONESI drawing, studiously avoided the VERONESI specification.

Further, in the *latter* part of the above quotation, which is directed to the *specific pump illustrated* by VERONESI, the patentee speaks first of that portion of the water which goes down to the ejector, and then mentions the portion which goes up to the service discharge, thus making it impossible to sustain defendants' erroneous views that the water is divided before it reaches the last stage or exhaust, or that the portion referred to last by VERONESI is taken off first and from an early stage of the pump unit.

Under the circumstances, the specification is controlling, and such is the recognized law as held by this Court in the case of *Carson Inv. Co. v. Anaconda Copper Mining Co.,* 26 Fed. (2d) 651, at Page 658:

> ". . . there cannot be substantial variance between the drawings of a patent and the specification. Where there is conflict, as a rule, the specification must govern."

Again this Court stated in the case of *Carson v. American Smelting & Refining Co.*, 4 Fed. (2d) 463, at Page 465:

> "A foreign patent is to be measured as anticipatory, not by what might have been made out of it, but by what is clearly and definitely expressed in it. An American patent is not anticipated by a prior foreign patent, unless the latter exhibits the invention in such full, clear, and exact terms as to enable any person skilled in the art to practice it without the necessity of making experiments." (Citing cases).

The experts of the Patent Office during the prosecution of plaintiff's patent 285, when confronted with a similar translation of the above noted pertinent paragraph from the VERONESI patent, recognized the same as controlling in the matter of the meaning of the VERONESI drawing, and thereafter discarded this Italian patent as a reference, even in the face of defendants' voluminous arguments on this same point during the interference proceedings involving the application of plaintiff's patent 285 and defendants' RHODA patent (R 536).

In spite of the prior consideration of the VERONESI patent by the Patent Office, the District Court, in its memorandum decision, upon what turns out to be an erroneous premise, found what it termed a "flaw" in the argument to the Patent Office, namely that the invention of VERONESI was not directed to the pump at all but that the invention claimed was the injector (R 70). Just what this has to do with the

clearly expressed teachings of the VERONESI specification is not apparent, for plaintiff is not attempting to interpret or distort the language of this foreign patent but is relying on the plain meaning and intent of the wording used. To merely look at and read this patent is to recognize that the patent relates to a *system* wherein the *pump* is as vital a component as the *injector*. Thus in the specification, we find:

> "The present invention consists, therefore, in a *combination* constituted of one of several hydraulic ejectors, of two pipes which join the ejector, or the ejectors, to the pump (separated or concentric, depending on whether used for uncased or cased wells) and of a single pump which actuates the ejector or the ejectors, and creates the desired pressure." (R 607)

And as to the claims of the VERONESI patent, it will be noted that they also define the invention as a system combination in which the pump is a vital element. Thus Claim 1 provides:

> "A hydraulic ejector device for pumping liquid from great depth characterized in that one single pump of any type or system serves both to create pressure toward the ground for operating the ejector and to lift the required quantity of liquid." (R 607-608)

It is significant that neither the defendants nor the District Court made any attempt to reconcile the VERONESI specification with defendants' interpretation of the VERONESI drawing. The burden of proof, therefore, to such end has not been sustained by defendants.

Despite the admitted absence of any showing of a passage from the first stage direct to the service discharge 9 in VERONESI, the District Court purports to supply such deficiency to support its interpretation of this patent, by a finding that "the only reasonable purpose of the flow arrow drawn from the impeller chamber to the opening would be to indicate that the passage is there." (R 70)

Here again the District Court's conclusion is based upon a mistaken premise, namely that the dot-dash line is part of the arrow. A dot-dash line, however, represents a center line or a line of symmetry and, in this instance, it designates the symmetrical section of flange 9. The arrow, on the other hand, designates the direction of flow or, in other words, in what direction the water is going and not the place from whence it came; thus all that can be deduced from the arrow is that at the point it appears, ie. at the discharge end of flange 9, the flow of water is in an upward direction.

Should this Court, upon consideration of this VERONESI patent, feel that the finding of the District Court as to the meaning of the language employed by the patentee is equally plausible to that of both the Patent Office and plaintiff, then the patent is still too vague to constitute an anticipatory reference. In this connection, it was stated in *Atlantic, Gulf & Pacific Co. v. Wood,* 288 Fed. 148, 155 (CCA 5, 1923):

> "We agree with the Court below that the Thomson patent so lacks that definite description of what is intended by such alternative form of the Thomson vane that it does not charge the

plaintiff with that knowledge, actual or constructive, which makes it an anticipation.

'A document (patent) so obscure in its terminology that two conflicting theories may be deduced therefrom and supported by equally plausible arguments is too indefinite to be utilized as an anticipation. Cimiotti Unhairing Co. v. Comstock Unhairing Co., (CC) 115 F. 524.' "

See also:

Lever Bros. Co. v. Procter & Gamble Mfg. Co., 139 Fed. (2d) 633, 640, 641 (CCA 4, 1943).

On the basis of its erroneous understanding as to what the VERONESI patent teaches, the District Court found first as to patent 958:

"The system described is *the precise system pictured* in the Italian patent No. 260,417 to Hugo Veronesi" (R 69)

and with respect to Claim 12 of patent 285:

"It is also pictured in the Veronesi drawing" (R 73)

but such findings are inconsistent with other findings of the Court and point the error of its conclusions. In this connection the Court found:

"Considering plaintiff's systems as a whole, it is apparent that they are both useful and novel. *No prior systems are substantially identical* with plaintiff's systems." (R 68)

Further error and uncertainty on the part of the District Court as to the teachings of this VERONESI

patent are evident from the following conclusion of the Court:

> "However, *since the invention claimed in this patent was the injector,* there is *nothing* in the patent to indicate the significance of a discharge passage from an early impeller stage of the pump unit and the isolation of the injector at the last impeller stage. *For this reason, perhaps, the drawing should not in itself be considered a complete anticipation of plaintiff's system.* But this drawing when considered in connection with such other prior art as the system described in the Schmid patent clearly points the way to such a system as claimed in plaintiff's patent No. 2,344,-958." (R 71)

for it not only repeats a previous error as to what VERONESI claims as his invention, but now also clearly expresses doubt as to the clarity and sufficiency of the VERONESI disclosure to constitute a complete anticipation of the system of plaintiff's patent 958.

> "The patent law requires certainty of expression and not merely conjectural allusion or ambiguous reference to the subject matter, before a prior patent can overcome the validity of a later one that has meritoriously progressed the art."
>
> *A. B. Dick Co. v. Underwood Typewriter Co.,* 246 Fed. 309, 312 (Aff. CCA 2nd, 252 Fed. 990).

The confusion and misconception of the District Court as to the invention claimed by VERONESI, the admitted failure of the patent to teach the significance

of a low pressure discharge, coupled with the ambiguity of the drawing, all serve to destroy the District Court's conclusion that such drawing, when considered with such prior art as the SCHMID British Patent No. 382,592 (R 595), clearly points the way to such a system as claimed in plaintiff's patent 958. This is particularly true since the same SCHMID patent, which discloses a system employing two separate pump units with an intervening tank or reservoir (not a pressure tank as the Court assumed), and no foot valve, was thoroughly considered by the experts of the Patent Office during the prosecution of the application of plaintiff's patent 285 and discarded as irrelevant, and was presumptively considered in connection with the prosecution of the application of plaintiff's patent 958, such presumption being strengthened by the fact that the second application was a continuation-in-part of the first, was co-pending therewith, and was handled by the same Examiner who determined the line of division for plaintiff to maintain between them.

The foregoing has served to point up the errors of the District Court in connection with its consideration of the VERONESI patent, but ignoring these and even *surmising* what the drawing does *not* show, i.e. an open passage to service from the first stage of the pump unit, the VERONESI patent still remains an incomplete disclosure of the invention as measured by the claims of plaintiff's patent 958 and falls far short of supporting the findings of the District Court that the system described in such claims is the *precise* sys-

tem *clearly disclosed* in the VERONESI patent (Finding No. 29, R 86) or is the *precise* system *pictured* in the drawings of such patent (Decision, R 69, lines 5-8).

If the invention defined by the claims is the *precise* system disclosed or pictured in the VERONESI patent, then there must be found in this patent all the elements of the combinations claimed in plaintiff's patents.

One of such elements appearing in all the claims as an essential component of the combinations is the discharge passage or connection leading from a specified stage of the pump to an element of the system such as a pressure tank or spigot. To begin with, therefore, VERONESI fails to either picture or otherwise disclose such a connection and under the circumstances could not possibly disclose the precise system of the claimed invention even if nothing further were involved. Some of the claims, however, go further in reciting the connection or passage leading to a pressure tank or chamber, thus limiting the invention of those claims to a *pressure* system which is not to be found in the VERONESI patent. In addition, the majority of the claims recite that the connection or passage is valve free or free of any control valve, and those claims not specifically so reciting include the pressure tank as a component and necessary element of the claimed combination and its specific location in the claims permits of a valve free connection between the pressure tank and pump unit.

With no discharge connection at all disclosed in the VERONESI patent, how can it be surmised that, even if there, it would be free of any control valve? Merely connecting a discharge line to the flange 9 of the VERONESI pump is not enough, for then, by surmise and conjecture, such line would have to be connected in the relationship called for by the claims to *another* component element of the system, and it be further surmised that such connection was *valve free.*

It is not enough for a patent relied on as an anticipation of a combination to *suggest the possibility* of the presence of features to anticipate a later patent. It is not enough to show by surmise and conjecture how a prior patent might, by modification, be made to operate in accordance with the patent attacked. This certainly falls far short of satisfying the strict requirement of the law as to what constitutes anticipation.

> "No doctrine of the patent law is better established than that a prior patent or other publication to be an anticipation must bear *within its four corners* adequate directions for the practice of the patent invalidated. If the earlier disclosure offers no more than a starting point for further experiments, if its teaching will sometimes succeed and sometimes fail, *if it does not inform the art without more how to practice the new invention,* it has not correspondingly enriched the store of common knowledge, and it is not an anticipation."
>
> *Dewey & Almy Chemical Co. v. Mimex Co.,* 124 Fed. (2d) 986, 989 (CCA 2, 1942).

"A foreign patent is to be measured as anticipatory, *not by what may be made out of it, but by what is clearly and definitely expressed in it.*"

Carson v. American Smelting & Refining Co., 4 Fed. (2d) 463, 465.

"Devices and publications leading up to, but not fully accomplishing, a desired end, do not anticipate an invention which for the first time effectively meets all requirements and successfully accomplishes such end."

In re Cole, 46 Fed. (2d) 575, 577 (CCPA 1931).

". . . Therefore in order to negative novelty or, as it is usually expressed, to 'anticipate' an invention, it is necessary that all of the elements of the invention or their equivalents be found in one single description or structure where they do substantially the same work in substantially the same way." (Citing numerous cases.)

Walker on Patents, Deller's Edition, Vol. 1, Sec. 48, Page 255.

"In order to constitute anticipation of a combination claim, it is necessary that all the elements of the combination, or their mechanical equivalents, should be found in a single patent or description, where they do substantially the same work by substantially the same means. Rhodes v. Lincoln Press-Drill Company (C.C.) 64 F. 218."

Chicago Lock Co. v. Tratsch, 72 Fed. (2d) 482, 487 (CCA 7, 1934).

Anticipation must be tested by foresight not hindsight, and a modification of the VERONESI drawing

and the supplementation thereof made after knowledge of plaintiff's systems to show how his system might be made to work like plaintiff's systems or how elements could be added to create a *pressure* system such as called for in many of the claims of patent 958, does not carry weight as showing anticipation.

> "To be effective as an anticipation the printed or public disclosure of the subject of the patent must be in such terms as to enable a person skilled in the art of the science to which it pertains, to make, construct, and practice the invention *without assistance from the patent which it is said to have anticipated.*"
>
> *Midland Flour Milling Co. v. Bobbitt,* 70 Fed. (2d) 416, 418 (CCA 8, 1934).

> "Many things, and the patent law abounds in illustrations, seem obvious after they have been done, and, 'in the light of the accomplished result,' it is often a matter of wonder how they so long 'eluded the search of the discoverer and set at defiance the speculations of inventive genius' . . . *Knowledge after the event is always easy,* and problems once solved present no difficulties, indeed, may be represented as never having had any, and expert witnesses may be brought forward to show that the new thing which seemed to have eluded the search of the world was always ready at hand and easy to be seen by a merely skillful attention. But the law has other tests of the invention than subtle conjecture of what might have been seen and yet was not."
>
> *Diamond Rubber Co. of New York v. Consolidated Rubber Tire Co.,* 220 U.S. 428; 55 L. Ed. 527, 531-532.

VII.

CLAIM 11 OF PATENT 285 WAS DRAFTED BY DEFENDANTS TO COVER THEIR OWN SYSTEMS, AND ITS INFRINGEMENT IS THEREBY ADMITTED, AND ITS VALIDITY OVER THE BRITISH PATENT TO SCHMID HAS BEEN SUSTAINED BY THE PATENT OFFICE.

The origin of Claim 11 of plaintiff's patent 285 and the application of its terminology to the accused systems of defendants is important in considering the fundamental error of the District Court's findings of anticipation and non-infringement of such claim.

In this connection, such claim was taken *verbatim* from defendants' RHODA patent No. 2,315,656 (R 536) wherein, by coincidence, it appears under the same claim number. *The language of the claim is that chosen and adopted by defendants* as the employer and assignee of the party RHODA *to cover,* in the RHODA application and by patent, *the very systems which they now contend do not infringe such claim.*

The prosecution of the RHODA application and the securing of the patent thereon are strong evidence of what the defendants thought of the invention covered by Claim 11 before the question of priority of inventorship arose between their employee RHODA and the applicants of plaintiff's patent, and is certainly presumptive of what the District Court should have thought on the matter of infringement.

In the interference between the defendants' patentee RHODA and the applicants of plaintiff's patent 285, plaintiff had no alternative but to adopt the language of the RHODA claim. The language of Claim

11, therefore, is that of the RHODA patent, and while somewhat inept in defining a system in terms of a "low pressure pump" and a "high pressure pump", such terms must be construed and interpreted in accordance with the RHODA patent disclosure.

> "While it is true that, generally, a claim should be construed as broadly as its terminology will reasonably permit, it is also true that one copying a claim from a patent must, where the terms of the claim are ambiguous, be bound by the meaning intended by the patentee as shown by his disclosure. In re Nicolson, 49 F. 2d 961, 18 C.C.P.A., Patents, 1468."
>
> *In re Babcock,* 110 Fed. (2d) 665, 667 (CCPA 1940).

Reference to the RHODA specification as well as to that of plaintiff's patent 285 shows that in both cases the invention was directed to an injector type system involving a *single* pump unit constructed of a plurality of superimposed impeller stages within a common casing and that the terms "high pressure pump" and "low pressure pump" relate to certain *stages* of the single pump unit disclosed in such patents.

To construe Claim 11 in the light of the specification is to merely follow the law as laid down in this Circuit.

> "The claim is to be read in connection with the specifications. (Citing cases) Where the claim uses broader language than the specifications,

reference may be had to the latter for the purpose of limiting the claim. (Citing cases)."

Schnitzer v. California Corrugated Culvert Co., 140 Fed. (2d) 275, 276 (CCA 9, 1944).

See also:

Payne v. Williams-Wallace, 117 Fed. (2d) 823 (CCA 9, 1941).

On the mistaken theory that Claim 11 calls for two separate and independent pumps, the District Court found the claim fully anticipated by the British patent to SCHMID, No. 382,592 (Dft. Exh. V, R 595), and in this connection found:

> "This patent was cited as a reference by the Patent Examiner. But the file wrapper shows that Claim 11 was not in the original application but was added later as a prelude to an interference proceeding and thus the Schmid patent was *apparently* never considered in relation to this claim." (R 72)

Such consideration of patentability by the Examiner at the time would seem to be wholly immaterial since the patentability of Claim 11 had already been passed upon by the Examiner in the prosecution of the RHODA application as evidenced by the allowance of said claim in the resulting RHODA patent. In this connection the District Court apparently overlooked the fact that the British patent had been made of record and was before the Examiner in the RHODA application when Claim 11 was allowed to him.

Of further significance to this issue is the fact that the SCHMID patent was very strongly urged against Claim 11 by the defendants in the aforementioned interference. We thus have a situation where, contrary to the conclusion of the District Court, the SCHMID patent was *thrice* considered by the Patent Office, once in the RHODA application, again in the application of the patent in suit, and still again as a result of said interference.

The repeated reference to and consideration of this British patent by the Patent Office, therefore, approaches a finality of decision which should be upheld by this Court.

VIII.

THE EVIDENCE FAILS TO ESTABLISH THAT PLAINTIFF'S PATENTS ARE VOID FOR WANT OF INVENTION.

A. The conflicting and irreconcilable findings of the District Court clearly establish the failure of the prior art to teach the three system combinations of the patents in suit and evidence the failure of defendants to sustain the heavy burden of proof required by law.

At the trial, defendants relied on the pump units disclosed in the prior art patents to ENSSLIN (R 575), RATEAU (R 564), SULZER (R 561) and STEPANOFF (R 569) in an effort to establish that the method of dividing water, which they employed in their own pump units, inherently existed in these prior art pump units and was, therefore, old. Defendants did not contend, nor did they offer any testimony, attempting to show that the pump units of

these prior art patents could be modified or supplemented with other components to obtain all or any one of the three system combinations A, B and C of plaintiff's patents. None of these prior art patents was concerned with deep well pumping nor with injectors, nor is there any suggestion in any of these patents, which contemplated the attachment of an injector to the pump units, or of any teaching of plaintiff's new system combinations, which systems the District Court found to be "both novel and useful" (R 68).

How then can the District Court, in the absence of any such proofs by defendants, or of any teachings in the prior art patents, conclude as it did in essentially identical findings, Nos. 27 and 28 (R 86), No. 37 (R 88) and No. 46 (R 91), that the pumping systems of plaintiff's patents could be *duplicated* without invention merely by connecting an injector to one of the high pressure connections of the multi-discharge centrifugal pumps of any one of these prior art patents. The prior art cited above and the record show that, prior to plaintiff's systems, multi-pressure centrifugal pump units had been in use at least 39 years, and injectors, at least 29 years, but not together. If plaintiff's systems could be duplicated as simply as the District Court seems to think, why did defendants have to wait until plaintiff showed how such systems could be effected?

On what basis can the District Court support its creation of a hypothetical arrangement which had never previously existed in the prior art and thereby

conclude that plaintiff's systems were old? In the absence of evidence to that effect, how can the District Court conclude at what stage of the pump unit of these prior art patents to connect the injector, or that, if made at the last stage, such hypothetical system would possess the stability of plaintiff's systems and be capable of maintaining operation irrespective of fluctuations in the level of water in the well?

The District Court itself throws doubt upon the hypothetical system so created by it, for apparently, without appreciating the significance thereof, it made certain findings which, when considered together, negative its conclusions as to how plaintiff's new systems could be duplicated. Thus, in speaking of these early multi-pressure discharge centrifugal pumps, and the probable use thereof with injectors, the District Court found:

> "The centrifugal pump itself operates in the same manner with or without an injector assembly attached. But *special* difficulties are presented in supplying a multi-pressure discharge from a centrifugal pump with an injector assembly attached. The injector assembly requires a certain minimum *volume* and *pressure* of water for continued operation. Therefore, if too much of the water is permitted to flow from a discharge opening tapping one of the early impeller stages of the pump unit, insufficient water will pass through the pump to supply the injector assembly. When there is no injector assembly in the system, if an excessive volume of water flows out the low pressure discharge, the result will be merely the starving of the high pressure dis-

> charge for water. But with an injector assembly in the system, the result will be the stalling of the entire system." (R 60)

In again speaking of these same prior art pumps, the District Court found:

> "Multi-pressure contrifugal pumps of the type just described are old in the art. But of the specific models brought to the Court's attention, *none were designed specifically to supply water at different pressures simultaneously.*" (R 58)

A pump unit, to supply service at one pressure and an injector at a higher pressure, must necessarily supply water at different pressures simultaneously. Consequently, when one attempts to connect an injector to any one of the aforesaid pumps, he will not only run headlong into those "special difficulties" which the District Court found existed, but one would also be faced with the added problem of obtaining simultaneous discharge at different pressures from pumps which the Court found were not suited for such operation.

If the system created by the District Court of its own volition is a *duplication* or counterpart of plaintiff's system combinations, then, of necessity, one would expect to find *all* of the component elements of the three claimed combinations therein, but where in the hypothetical system created by the District Court is there to be found a *pressure* system involving a pressure tank such as called for in certain of the

claims of patent 958, or the service connection specifically located, as called for by the majority of such claims, or the valve free passage through such connection? Where is the specific means within one of the stages for dividing the water between the low pressure discharge and a subsequent stage of the pump unit as called for in many of the subcombination claims of patent 285, and where is there the pressure tank called for in Claims 17 and 18 of such patent and the novel relationship of elements which provides for the automatic starting up of the system upon the mere opening of a spigot from the low pressure side of the system, and, furthermore, how can the attachment of an injector to these prior art pumps duplicate the pressure system of Claims 17 and 18 of patent 285 which does not even require an injector?

There further exist the inconsistent and irreconcilable findings of the District Court in connection with the holdings of invalidity of Claims 17 and 18 of patent 285. Whereas previously the District Court, in its finding No. 46 (R 91), held the system of these claims duplicated by the hypothetical connection of an injector to one of the aforementioned multi-pressure discharge centrifugal pumps, in another finding, No. 40 (R 89), the District Court considered the systems of these same claims duplicated, this time, not by the connection of an injector, but by the connection of a pressure tank and pressure switch in lieu of the injector. Such findings obviously cannot be reconciled and indicate fundamental error and confusion.

Further error exists in said finding No. 40, in that the District Court, in complete contradiction of plaintiff's patent 285, states:

> "Plaintiff seems to assume that by adding a pressure tank and switch to its multi-pressure centrifugal pump, it achieves a distinct invention." (R 89)

To merely read plaintiff's patent will make clear that what the patentees of said patent actually did was to create out of the conventional pressure system a new system which the District Court recognized as "both useful and novel" (R 68) and which new system, unlike any pressure system shown in the prior art, can deliver water at low pressure and large volume for irrigation purposes and also provide for automatic starting of the system from the end of the irrigation discharge.

The law does not look with favor upon the method adopted by the District Court, upon its own volition, to effect anticipation of plantiff's patents.

> "Anticipation cannot be made out of selecting part of one patent and part of another, and still a part of a third to build up a *hypothetical construction,* which may answer the combination of the claims of the patent (citing case)."
>
> *Line Material Co. v. Brady Electric Mfg. Co.,* 7 Fed. (2d) 48, 49 (CCA 2, 1925).

The District Court's finding No. 41 holding Claims 3, 9-14, 17 and 18 of patent 285 so broadly drawn as to virtually include every possible system in which a

multi-pressure discharge is supplied from a pump with an injector attached, is erroneous from more than one approach. The fundamental theory of claim drafting is to define or measure the advance over the prior art. The prior art, therefore, constitutes the base from which to measure the broadness of claims to which an inventor is entitled. The District Court relies on no prior art in its finding and, therefore, the finding becomes meaningless.

The District Court, furthermore, erred in its interpretation of the scope of said claims, for, in general, they obviously are not as broad as designated by the District Court. Claims 3 and 14 limit the system to one having a by-pass passage leading downwardly from a high pressure stage; Claims 9, 10 and 13 restrict the claimed system to one in which the pressure difference between the low pressure service discharge and the injector is such as to maintain operativeness of the injector assembly at the lowest normal level of water in the well; Claim 14 further restricts the claimed system to one having a control valve in a service line; while Claims 17 and 18 are restricted to a system requiring a pressure tank and automatic switch and are thus limited to a pressure system.

Findings No. 42 and No. 43 are erroneous for like reasons, with finding No. 43 being further obviously in error in stating as a premise that means for dividing water between a discharge outlet and an *injector* to assure an operating supply to the injector is old. No prior art or testimony exists to justify such state-

ment, and finding No. 12, to which the District Court refers, does not consider an injector and, therefore, does not support such conclusion. In fact, the District Court's finding that the multi-pressure pumps of record were not suitable for simultaneous discharge at different pressures would tend to nullify the aforementioned conclusion and confirm the existence of error therein.

In addition to the VERONESI, SCHMID, ENSSLIN, RATEAU, SULZER and STEPANOFF patents above discussed, defendants, at the trial, relied upon other prior art patents, namely, a second Italian VERONESI (1913) patent (R 545), a German patent to SPECK (R 591), and U.S. letters patent to R. JACUZZI (R 579) and to F. JACUZZI (R 584).

While the VERONESI patent of 1913 cannot be used for purposes of anticipation because not pleaded or otherwise noticed in advance of the trial as required by 35 U.S.C.A., Section 69, the District Court nevertheless considered it along with the German patent to SPECK to be unimportant (R 62-63); also the JACUZZI patent No. 1,758,400 was discarded in view of its inherent limitations (R 61, 62).

As to the F. JACUZZI patent No. 2,150,799, the District Court commented on the similarity of its internal stage structure to the structure relied on by plaintiff to secure proper division of water between its low pressure service discharge and the higher stages which feed the injector assembly, and found:

> "All plaintiff did was to adapt this system of ports and passages to a dual discharge pump by

> reconstructing some of the passages to direct the water to the discharge opening rather than to the eye of the succeeding impeller." (R 74-75)

A glance at plaintiff's patent 285 will show that the F. JACUZZI patent was cited therein as a basis for describing one form of the inventions in issue. The system of ports and passages in the F. JACUZZI patent is present to convert velocity to pressure as the water travels between stages. Their function is not that of dividing water between components of the pump unit, for all the water proceeds to the succeeding stage. When plaintiff associates a service discharge from a low pressure stage having such system of ports and passages, they take on the additional function of dividing the water between service and the injector with assurance that the injector will be favored. Thus a new combination is born and this the Patent Office found after consideration of this reference.

The conflicting and irreconcilable findings of the District Court, in some cases based upon mistaken assumptions, as above pointed out, constitute cogent evidence of the failure of defendants to sustain the heavy burden of proving beyond a reasonable doubt that the prior art left no room for the inventions of plaintiff's claimed combinations.

B. Plaintiff's patents are for combinations.

Plaintiff's systems involve a plurality of elements so co-related and assembled as to provide new combinations which have achieved new, improved, useful

and beneficial results in meeting the water requirements of the average farmer. As previously pointed out, the record shows, not only from the testimony but from defendants' literature, that plaintiff's new combinations mean for the farmer, more water at less cost, saving 30% to 50% in power bills; greater efficiency in operation; economy of maintenance; continuous operation irrespective of change in operating conditions; automatic starting from the distal end of the irrigation line; the obviating of troublesome control valves; and simultaneous supplying of irrigation and household requirements from a single system. Hence the question of whether each of the elements of any combination is old is immaterial, for, whether old or new, it is the *combinations* which have achieved the new and improved accomplishments above pointed out.

> "A *combination* is a composition of elements, some of which may be old and others new, or all old or all new. It is, however, the combination that is the invention, and it is as much a unit in contemplation of law as a single or non-composite instrument."
>
> *Leeds & Catlin v. Victor Talking Mach.,* 213 U.S. 325, 332; 29 S. Ct. 503; 53 L. Ed. 816.

> "If it be conceded as appellant contends, that each element of the apparatus patent is old in the art, we think it cannot be denied that they are here used in such manner as to produce a new and useful result, in a more efficient, economical and facile way."
>
> *City of Milwaukee v. Activated Sludge,* 69 Fed. (2d) 577, 588 (CCA 2, 1934).

"A new combination of old elements, whereby a new and useful result is produced, or an old result is attained in a more facile, economical, and efficient way, may be protected by patent as securely as a new machine or composition of matter."

National Hollow v. Interchangeable, 106 Fed. 693, 706 (CCA 8, 1911).

"Walker made a very substantial improvement over Lehr & Wyatt. Notwithstanding, it is conceded that both his recorder and his amplifier, considered by themselves, are old in the art. We think the patentee displayed a measure of inventive genius entitling him to patent protection. He has combined features which *achieve a new result,* or at least an old result in a better way."

Halliburton Oil Well Cementing Co. v. Walker, 146 Fed. (2d) 817, 819 (CCA 9, 1944) Aff'd 326 U.S. 696.

"It may be laid down as a general rule, though perhaps not an invariable one, that if a new combination and arrangement of known elements produce a new and beneficial result, never attained before, it is evidence of invention. It was certainly a new and useful result to make a loom produce fifty yards a day when it never before had produced over forty; and we think that the combination of elements by which this was effected, even though those elements were separately known before, was invention sufficient to form the basis of a patent."

Webster Loom Co. v. Higgins, 105 U.S. 580, 592 (1881), 26 L. Ed. 1177.

C. Invention is not to be negatived by ex post facto wisdom.

The time-worn defense of non-invention and belittlement of plaintiff's accomplishment as urged by the defendants is based upon hindsight and not foresight. With eyes sharpened by the disclosure of the patents in suit and guided and directed thereby, defendants, as well as the District Court as evidenced in its finding No. 40 (R. 89), attempt to relegate the discoveries to the status of ordinary developments of the artisan or mechanic skilled in the art.

It is fundamental in considering whether the difference between the systems of the patents in suit and those of the prior art are the result of mechanical skill or involve inventive ingenuity, that care be taken to divest the mind of the ideas added to the art by the patents in suit. It cannot be too strongly emphasized that after-acquired knowledge is a subtle and subconscious agent which may readily mislead, and that obviousness after the fact is no evidence of the lack of invention, for as the Supreme Court has aptly stated in *United States v. American Bell Telephone Co.,* 167 U.S. 224; 42 L. Ed. 144, at Page 161:

> ". . . wisdom born after the event is the cheapest of all wisdom. Anyone could have discovered America after 1492."

D. The presumption of validity of plaintiff's patents.

It is the established rule, well recognized in this Circuit, that letters patent are *prima facie valid* and that the party asserting the contrary has the burden of establishing invalidity by evidence which carries conviction *beyond a reasonable doubt.*

"At the outset, it should be observed, that 'the grant of letters patent is prima facie evidence that the patentee is the first inventor of the device described in the letters patent, and of its novelty.' (Citing cases).

"Before a patent can be declared invalid because of anticipation, its lack of novelty must be established beyond a reasonable doubt. (Citing cases)"

Bianchi v. Barili, 168 Fed. (2d) 793, 795 (CCA 9, 1948).

See also:

Walker on Patents, Deller's Edition, Vol. 1, Pages 300-302.

E. The presumption of validity is strengthened by virtue of the Patent Office having considered most pertinent prior art.

Particularly heavy is the infringer's burden of establishing invalidity of the patents attacked, where, as here, the best art that could be produced had been considered and found wanting by the Patent Office during the consideration of the claims in suit. Thus the prior art patents to VERONESI (Italian) (1927) (R 552); SCHMID (British) (R 595); R. JACUZZI (R 579); F. JACUZZI (R 584); ENSSLIN (R 575) and HILLIARD (R 618) were all considered by the Patent Office as failing to negative invention in the claimed combinations of plaintiff's patents.

While defendants produced other prior art patents, the same were either less pertinent to negative invention or, at the best, of no better value than those considered by the Patent Office. Thus the patents to

SPECK (German) (R 591) and VERONESI (Italian) (1913) (R 545) were found unimportant by the District Court, and the patents to SULZER (R 561), RATEAU (R 564) and STEPANOFF (R 569) are no better references than, and are merely cumulative of the disclosures of, the patents to ENSSLIN and HILLIARD which the Patent Office had considered.

> "In 3 Walker § 700, page 2010 it is said: 'The presumption of validity is strengthened by the circumstance that the alleged anticipating patent was considered by the Patent Office in connection with the application for the patent in suit.' "
>
> *Bianchi v. Barili,* supra.

> ". . . To the presumption of validity that attaches to a granted patent, where the most pertinent prior art has been cited against it in the patent office, there must probably now be added the force of a growing recognition of finality that is generally being accorded to administrative determinations supported by evidence, on the ground that the administrative agency is expected to have developed an expertness in its specific field beyond what may be expected from the courts wherein adjudications range the whole field of human controversies . . ."
>
> *Williams Mfg. Co. v. United Shoe Mach. Corporation,* 121 Fed. (2d) 273, 277 (CCA 6, 1941), (Aff'd) 316 U.S. 364; 86 L. Ed. 1537.

> "Having concluded that defendants' mounting infringes, it is now necessary to determine whether the Morley patent is valid and of course

there is a presumption of validity not only raised by the granting of the patent (Radio Corp. v. Radio Laboratories, 293 U.S. 1, 7 (21 USPQ 353, 355) (1934); Johns-Manville Corporation v. Ludowici-Celadon Co., 117 F. 2d 199 (48 USPQ 180) (1941); Gebhard, et al. v. General Motors Sales Corporation, et al., 135 F. 2d 248 (57 USPQ 166) (1943); Ralph N. Brodie Co. v. Hydraulic Press Mfg. Co., 151 F. 2d 91 (66 USPQ 396) (1945) *but the fact that defendant copies the device disclosed and claimed in plaintiffs' patent is very strong evidence that it is substantially different from devices of the prior art.* Diamond Rubber Co. v. Consol. Tire Co., 220 U.S. 428, 440, 441.

"To the same effect see Farmers' Handy Wagon Co. v. Beaver Silo & Box Mfg. Co., 236 F. 731, 738; A. R. Milner Seating Co. v. Yesbera, 133 F. 916; Steiner Sales Co. v. Schwartz Sales Co., 98 F. 2d 999 (38 USPQ 15.)"

Knight-Morley Corp. v. Ajax Mfg. Corp., 81 USPQ 12 (14), 84 F. Supp. 215 (D.C. E. Mich. 1948).

"Where an issue is raised as to the validity of a patent granted by the United States Patent Office, the burden is upon the one disputing the decision of the Patent Office to overcome it, Linville v. Milberger, 29 F. 2d 610; Knapp v. Will, etc., Co., 273 F. 380, with every reasonable doubt to be resolved in favor of the patent. Linville v. Milberger, supra; Barkis v. California Almond Growers' Exch., 17 F. 2d 327. Defendant did not meet such burden in this case, so it must follow

that the patent granted must be held to be a valid one."

Finnerty v. Wallen, 78 USPQ 58 (59), 77 F. Supp. 508 (D.C.N.D. Cal. 1948).

Can this Court conclude that defendants' interpretation of the ambiguous drawing of the VERONESI patent (1927), in contradiction of the specification of such patent, is so clear as to leave no reasonable doubt as to the invalidity of plaintiff's patents, or that, even if so interpreted, it teaches the *three* system combinations of such patents? Can this Court conclude that the SCHMID British patent with its two pump units, intervening storage tank and no foot valve, teaches, contrary to the findings of the Patent Office, the system combination of Claim 11 of patent 285; and can this Court sustain the District Court in its finding that plaintiff's *three* system combinations would be *duplicated* by merely attaching an injector, or with respect to Claims 17 and 18 of patent 285, in lieu of an injector a pressure tank and pressure switch, to any one of the multi-pressure discharge pumps of the ENSSLIN, SULZER, RATEAU and STEPANOFF group of prior art patents?

Can it be said that such prior art, or the systems created by the District Court in the absence of any teachings thereof in the prior art, leaves no reasonable doubt as to the invalidity of plaintiff's patents and that the Patent Office, through its skilled experts, was wrong in issuing such patents? Are such proofs

so convincing of the invalidity of plaintiff's patents that, if the inventors' lives had been at stake instead of their patents, the Court would have no hesitancy in holding against them? Unless such is the case, then this Court must conclude that the validity of plaintiff's patents is unaffected by such prior art.

"In this connection it is necessary to determine the kind and nature of proof which must be made, in order to establish invalidity upon this ground. It seems that the authorities are uniformly to the effect that the burden is upon defendants to establish the defense of anticipation, and that 'every reasonable doubt should be resolved against him.' San Francisco Cornice Co. v. Beyrle (CCA 9), 195 F. 516, 518; 115 CCA 426, 428; Schumacher et al. v. Buttonlath Mfg. Co. (CCA 9), 292 F. 522, 531, and numerous cases cited. In as clear and emphatic language as may possibly be used, the supreme and circuit courts repeatedly have affirmed this rule, and without exception have required the same degree of proof as would be necessary if the life or liberty of the patentee himself depended upon the novelty of his invention. Moreover, this is not a harsh nor arbitrary rule of construction, but, on the contrary, one which is reasonable and beneficial, in accord with principles of common justice governing situations of this kind. *The plaintiff has disclosed to the world a device which by its use the defendants acknowledge to be useful. The experts of the Patent Office, after the most careful consideration, have pronounced it new.* Under these conditions, the law properly requires that all doubts as to the correctness of their action be removed before it

will permit a court to say that a patentee has not an exclusive right to his own disclosure."

Alliance Securities Co. v. Mohr & Son, 14 Fed. (2d) 793, 795, 796. (Affirmed in *Mohr & Son v. Alliance Securities Co.,* 14 Fed. (2d) 799 (CCA 9, 1926).)

F. Presumption of validity strengthened by interference proceeding.

Not only is the ordinary presumption of validity of plaintiff's patents strengthened to a degree bordering on finality by virtue of the most pertinent prior art having been considered and found wanting by the Patent Office during the prosecution of the applications of the patents in suit, but such presumption is further strengthened by the fact that the application of plaintiff's patent 285 survived a hotly contested interference in the Patent Office between the applicants of said application and defendants' employee RHODA, the patentee of their then owned RHODA patent.

G. Presumption of validity further strengthened by defendants' prior conduct and admissions.

Further strengthening the presumption of validity of plaintiff's patents and of primary significance is the former position taken by defendants with respect to the inventions involved, when they claimed they were the exclusive owners of such inventions.

The record shows without contradiction that plaintiff placed its systems embodying the patented combinations on the market early in March 1941 (R 414),

and in July 1941 distributed to the trade (R 412-413) its King pump circular, plaintiff's Exh. 20 (R 530), and in the latter part of 1941 (R 413), its catalog, plaintiff's Exh. 11; while in September 1941 (R 414-415) it publicly exhibited its said systems at the California State Fair at Sacramento in close proximity to an exhibit of defendants (R 383).

Early in 1942 and after plaintiff's systems were on the market and their advantages demonstrated, defendants came forth with their alleged new line of dual purpose water systems wherein they incorporated the inventions of plaintiff's patents. Furthermore and with surprising audacity in the face of their knowledge of plaintiff's systems, defendants filed, through their employee RHODA, an application for letters patent on their asserted new line of water systems, which application matured in the patent involved in the interference heretofore mentioned.

If the inventions lacked novelty, as the defendants now contend, why did they seek letters patent thereon and why engage in an expensive interference proceeding?

> "In the instant case, however, we could more readily reconcile defendant's effort to acquire an improvement patent of doubtful validity with its present asserted position that the improvement patent is invalid for want of patentable novelty, than we are able to reconcile its present asserted position with its previous claim to ownership of a rival application, to an interference contest in the Patent Office, and its asserted, subsequent discovery that both, its as well as Squire's inven-

tion were, after all, at all times invalid and that the product of Squire's and Eggers' efforts, evidenced mechanical skill only."

Russell v. J. P. Seeburg Corp., 51 USPQ 306, 308-309 (CCA 7, 1941) 123 Fed. (2d) 509, 512.

Defendants, prior to suit, extolled the virtues and advantages of their new line of water systems (accused systems) and widely proclaimed that the features thereof were *unique; that no control valve was required; that one could irrigate all day without interrupting the household pressure requirements; that one could save the cost of another pump and well by the use of their new dual purpose systems; and that the principle of operation was designed by their engineers and held by them under exclusive patent;* all of which statements appear in defendants' literature.*

The prompt adoption of plaintiff's systems by defendants is a recognition of their worth and novelty.

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*We here quote from defendants' Bulletin 506, plaintiff's Exh. 14 (R 518 through 523) and Bulletin 501, plaintiff's Exh. 12 (R 511):

"Irrigate All Day Without Interrupting Your Household Pressure Service"

"A *unique* feature of Berkeley two and three stage water systems when installed for shallow well use is their two discharge openings, a high pressure outlet to the tank for sprinkler irrigation, and a low pressure opening suitable for filling stock tanks, flood irrigation, etc. Both may be operated simultaneously, or either one separately. Check the performance of these models on Page 21 against your shallow well needs—you may be able to *save the cost of another pump and well* by installing a BERKELEY DUAL PURPOSE." (R 523)

"*Developed by Berkeley engineers* in 1941, the two stage principle of operation described on page 16 is *held under exclusive patent* by the Berkeley Pump Company. Since that

The advertising bulletins extolling the virtues and uniqueness of the systems again pay tribute to the novelty and accomplishment of the inventions of plaintiff's patents; and this, coupled with defendants' claims of authorship of the inventions and that the principle of operation was held by them under exclusive patent, negatives their present contention of lack of invention.

"Furthermore, appellee's advertising extolled the result of the filleting function of the Wheatley improved flap as he had explained it to Kempel in 1924. Under these circumstances, we think that appellee is not in a position to deny infringement. See Gibbs v. Triumph Trap Co., 26 F 2d 312. Our conclusion in this respect is further supported by the relations of these parties and their statements and dealing with each other, and we are convinced that the court was not in error

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time *many thousands* of these water systems have been giving their owners a quality of performance and durability that has met our best expectations. Available in one and one-half, two, three, and five horsepower sizes.

"*No control valve is required,* as its function is performed by the system of water circulation within the pump as described on page 16." (R 521)

"POSITIVE JET ACTION"

"*The upper impeller pumps only to the deep well jet,* and always has a source of water for this purpose. It is a fact not generally known that loss of prime in jet pumps is most frequently caused by insufficient force of water at the jet nozzle. By devoting one impeller exclusively to this function, the Berkeley design eliminates the principal cause of loss of prime." (R 519)

"*Self Adjusting* to
All Water Levels
Within Its Range
20 to 250 Feet"
(R 511)

in holding that appellee's structure infringed the patent if valid."

Wheatley v. Rex-Hide, Incorporated, 41 USPQ 124, 126 Aff'd 102 Fed. (2d) 940 (CCA 7, 1939).

One cannot help but wonder why, in view of the uniqueness, advantages and accomplishments of plaintiff's patented systems, defendants waited until such systems had been developed, advertised and placed on the market before coming out with their whole new line of systems incorporating the features of plaintiff's systems. If such combinations were old, as defendants now claim and the District Court found, why did defendants wait until plaintiff pointed the way, and why appropriate such combinations instead of adopting the structures of the prior art?

That the patented features were not obvious to Mr. CARPENTER, president of the corporate defendant and a practical engineer of long experience in the art of water systems employing the injector principle, is most aptly illustrated in his attempt to meet one of the needs of the farmer in supplying a dual purpose system back in 1940 when he filed the application of the CARPENTER patent No. 2,280,626 (R 526). To him, at that time, the solution was not obvious in a system of the injector type, for he employed a turbine pump, notwithstanding he was fully and probably more conversant with systems of the injector type and the advantages of the injector principle over the turbine type pump for trouble-free operation.

The foregoing illustrates the lack of obviousness of the three system combinations of plaintiff's patents, and this, coupled with the great age of the prior art and the incompatible change in position of defendants from one of praise and acknowledgment of the achievement and value of the systems of the patents in suit to one of belittlement and depreciation of such systems, based upon the premise that what was accomplished was old and perfectly obvious and required no inventive ingenuity, constitutes a forceful answer to the old and familiar attack now resurrected by defendants to invalidate plaintiff's patents.

> "He is attacked on the old lines. The accusation against him is one that every inventor must meet. The moment the solution of the problem is made plain those who did not see it seek to belittle the achievement of the one who did see it by the assertion that it was so exceedingly obvious and simple as to exclude the possibility of a demand upon the inventive faculties. This will not do."
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> *Gould Coupler Co. v. Pratt,* 70 Fed. 622, N.D. N.Y. 1895.

IX.

CONCLUSION.

Until the judgment herein was rendered, plaintiff's patents were valuable properties. Each invention has made its contribution of advancement in the art and each has afforded to the user, benefits and economies of major importance, which facts the District Court expressly recognized.

Not only defendants, who were skilled and experienced in the industry, recognized and appreciated the inventive character of plaintiff's inventions, but the trained experts of the Patent Office came to the same conclusion when they granted plaintiff's patents.

Defendants, once plaintiff's systems were on the market and demonstrated, were prompt to seize upon their inventive features and incorporate them in their own new line of water systems. In their trade bulletins they extolled the merits of the systems and the magnitude of the inventions so appropriated, but when confronted with the charge of infringement, they resort to the time-worn defense that the patents are devoid of invention.

To sustain this contention, defendants rely primarily upon a foreign patent which was public knowledge for about 14 years before their adoption of plaintiff's systems, and which they now maintain disclosed the precise systems of the patents in suit. This foreign patent, however, especially when read in the light of its specification, clearly shows its inapplicability. Defendants' contentions deliberately ignore the teachings of the specification and rest upon an admittedly obscure and ambiguous drawing which they attempted to make certain by parol evidence.

The only claim which the District Court held not infringed was drafted by defendants to cover the accused systems and, consequently, there is no alternative but to find that such claim was infringed. Furthermore, when construed as expressed by defendants in their RHODA patent, no basis for anticipation by the

SCHMID patent exists, and it was so found by the Patent Office.

An examination of the record will not sustain the conclusion that the connection of an injector to certain other pumps described in patents cited by defendants will duplicate any of the systems of plaintiff's inventions or accomplish the same results, and there is no evidence to sustain the finding of anticipation or want of invention, which forms the basis of this appeal.

Plaintiff respectfully submits that defendants have not met the burden of proof that is imposed upon them to invalidate plaintiff's patents and that the record of this cause requires that the judgment of the District Court be reversed and that judgment be ordered for plaintiff as prayed for in its complaint.

Dated, Berkeley, California,
September 25, 1950.

Respectfully submitted,
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